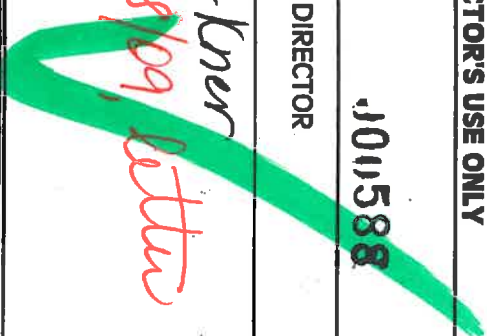


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Myers</i>	<i>4-21-09</i>

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER	<i>100588</i>	<input type="checkbox"/> Prepare reply for the Director's signature	DATE DUE _____
2. DATE SIGNED BY DIRECTOR	<i>cc: Mrs. Forster</i> <i>cleared 5/18/09, letter</i> <i>attached.</i> 	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>4-30-09</i>	DATE DUE _____
		<input type="checkbox"/> FOIA	DATE DUE _____
		<input type="checkbox"/> Necessary Action	

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			

**CANNON PSYCHOLOGICAL ASSOCIATES PC**

1376 Tiger Blvd., Suite 210
Clemson, SC 29631
Telephone: (864) 654-7848
Fax: (864) 654-5777

April 13, 2009

APR 20 2009

Ms. Emma Forkner, Director
SC Department of Health and Human Services
PO Box 8208
Columbia, SC 29202-8208

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Ms. Forkner:

I am writing regarding your Medicaid Bulletin dated November 3, 2008 regarding the supervision of professional psychologists by psychiatrists and physicians. A copy is enclosed.

It will of course be next to impossible for non-medical practitioners to bring a physician or psychiatrist into the physical setting of their practice. The reasons for this are obvious, and I will not enumerate them in this letter.

The fundamental flaw in the rule itself is that it is basically nonsensical. Physicians (including Psychiatrists) are not trained to provide psychological services and certainly not to "supervise" professional psychologists. If there is to be meaningful supervision of non-doctoral level mental health professionals, it should logically be provided by Ph.D. level psychologists.

The net effect of this absurd rule is the increasing denial of services to those who are among the neediest in our society. People who are allowed to "fall through the cracks," Ms. Forkner, just don't go away. They end up on our street corners selling drugs, as criminals, and over-flowing our prisons, emergency rooms, and mental institutions. Others just walk into their schools or work places and start shooting.

In closing, I would like to voice my objection to the insulting and utterly inaccurate term "paraprofessional" in referring to professional psychologists, legally licensed by the state of South Carolina. This is clearly a politically derived designation that has no basis in fact or reason. As such, it represents an egregious example of the petty politics that continues to burden dedicated mental-health professionals in this state. This so-called "supervision" is a joke, and any knowledgeable person knows it.

I am enclosing a news release regarding bill HR6049, which deals with parity between medical and mental-health treatment. The Physician "supervision" rule is in direct contradiction to this enlightened legislation. Isn't it time to do away with it?

Sincerely,

David G. Cannon, Ph.D.
David G. Cannon, Ph.D.
Licensed Clinical Psychologist

Cc: Sen. William Clyburn, Rep. Charles Rangle, Rep. James Clyburn, Ms. Marcia Price

1576 Tiger Blvd., Ste. 210
Clemson, SC 29631
Phone: 864-534-7848
Fax: 864-534-5777



Confidential Fax

To: Emma Foraker From: Dr. David Cannon
Fax: (803) 255-8235 Pages: 3, including cover or cover only
Phone: _____ Date: _____
Re: _____ CCI: _____
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle
as Contained.

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1376 Tiger Blvd., Ste. 210 Clemson, SC 29631
Phone: 864-654-7848 Fax 864-654-5777

**Cannon
Psychological
Associates, PC**

Fax

To: Warren or William From: Dr David Cannon

Fax: (803) 255-8255 Pages: 8 including cover

Phone: (803) 898-2539 Date: 4-21-09

Re: _____ CC: _____

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• Comments:

→ will greatly appreciate your forwarding
this material to Ms. Emma Forkner and
any other parties you deem appropriate.
Many thanks. David F. Cannon, Ph.D.

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CANNON PSYCHOLOGICAL ASSOCIATES PC

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April 13, 2009

Ms. Emma Forkner, Director
SC Department of Health and Human Services
PO Box 8206
Columbia, SC 29202-8206

Dear Ms. Forkner:

I am writing regarding your Medicaid Bulletin dated November 3, 2008 regarding the supervision of professional psychologists by psychiatrists and physicians. A copy is enclosed.

It will of course be next to impossible for non-medical practitioners to bring a physician or psychiatrist into the physical setting of their practice. The reasons for this are obvious, and I will not enumerate them in this letter.

The fundamental flaw in the rule itself is that it is basically nonsensical. Physicians (including Psychiatrists) are not trained to provide psychological services and certainly not to "supervise" professional psychologists. If there is to be meaningful supervision of non-doctoral level mental health professionals, it should logically be provided by Ph.D. level psychologists.

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Sincerely,

David G. Cannon, Ph.D.
David G. Cannon, Ph.D.
Licensed Clinical Psychologist

Cc: Sen. William Clyburn, Rep. Charles Rangle, Rep. James Clyburn, Ms. Marcia Price



CANNON PSYCHOLOGICAL ASSOCIATES PC

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April 13, 2009

Ms. Marcia Price
Centers for Medicare & Medicaid Services
61 Forsyth St, S.W.
Ste 4120
Atlanta, GA 30303-8909

Dear Ms. Price:

Thank you for returning my call. As a way of providing more details regarding my concerns, I am forwarding a copy of my letter to Ms. Emma Forkner. She is the Director at the S.C. Department of Health and Human Services in Columbia, SC. I am also forwarding her bulletin regarding the "supervision" of licensed, clinical psychologists by physicians. I am also enclosing a news release regarding mental health parity. The physician "supervision" rule stands in direct contradiction to the enlightened goal expressed by HR6049.

I believe my letter to Ms. Forkner makes clear how illogical and counterproductive I, and other professional psychologists, believe this rule to be. My question then is how do we change this archaic drag on the effective provision of mental health services to an extremely needy segment of our society?

Any suggestions you can provide will be greatly appreciated.

Sincerely,

David G. Cannon, Ph.D.
David G. Cannon, Ph.D.
Licensed Clinical Psychologist

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES

Post Office Box 8206

Columbia, South Carolina 29202-8206

www.scdhhs.gov

November 3, 2008

PHYSICIANS

MEDICAID BULLETIN

TO: Psychiatrists and Physicians

SUBJECT: Clarification of Services Provided by an Allied Professional under Physician Supervision

This bulletin is being issued to clarify the bulletin dated August 5, 2008, titled, Psychiatric and Counseling Services Revision. The revision clearly defines the role of the physician and allied professional, as well as the circumstances in which counseling services are covered.

In Section Two (2) of the Physician, Laboratories, and Other Medical Professionals Manual titled Psychiatric and Counseling Services, subtitled Providers Eligible to Bill for Services, the agency clearly defines Direct Supervision when an Allied Professional is rendering services. The definition states:

"Direct supervision in the physician's office, group practice, or clinic setting means that the physician must be present in the office throughout the time the allied professional is providing the service and immediately available to provide assistance and direction throughout the time the paraprofessional is performing services. Direct supervision does not mean the physician must be in the same room while paraprofessional is providing services. The availability of the physician by telephone or the presence of the physician somewhere in the institution does not constitute direct supervision."

This definition is derived via guidance from the Centers for Medicare & Medicaid Services (CMS) and more closely outlines the agency's intent for this program.

The South Carolina Department of Health and Human Services (SCDHHS) understands that this model of direct supervision is not the norm in some practices. Therefore, in an effort to provide continuity of care for our beneficiaries and to provide an opportunity for our providers to come into compliance, we will temporarily suspend this requirement.

The suspension will be from the date of the original bulletin (August 5, 2008) until June 30, 2009. During the interim, providers are encouraged to review their current practices and make the necessary changes to become compliant.

Medicaid Bulletin
November 3, 2008
Page 2

If you have any questions concerning this bulletin, please contact your Program Manager at (803) 898-2660. Thank you for your continued support and participation in the South Carolina Medicaid Program.

/s/

Emma Forkner
Director

EF/mgws

Note: To sign up for Electronic Funds Transfer of your Medicaid payment, please go to <http://www.dhhs.state.sc.us/dhhsnew/hipa/index.asp> and select "Electronic Funds Transfer (EFT)" for instructions.

NEWS RELEASE

U.S. Senators Domenici, Kennedy, Enzi & Dodd

FOR IMMEDIATE RELEASE
SEPTEMBER 23, 2008

CHRIS GALLAGOS/Domenici (202) 224-7082
ANTHONY COLBY/Kennedy (202) 224-2633
CRAIG ORFIELD/Enzi (202) 224-6770
BRYAN DeANGELIS/Dodd (202) 224-5372

DOMENICI, KENNEDY, ENZI & DODD CELEBRATE SENATE PASSAGE OF MENTAL HEALTH PARITY IN TAX PACKAGE

WASHINGTON – U.S. Senators Pete Domenici (R-N.M.), Edward M. Kennedy (D-Mass.), Mike Enzi (R-Wyo.) and Chris Dodd (D-Conn.) today celebrated Senate approval of a broad bipartisan mental health parity agreement and expressed their confidence the Congress would enact the legislation before the impending end of the 110th Congress.

The Senate today approved the mental health parity legislation as part of the **Renewable Energy and Job Creation Act of 2008** (H.R. 6049), the so-called Senate compromise tax extenders legislation.

Domenici, Kennedy, Enzi and Dodd have made it a priority in the 110th Congress to enact new mental health parity legislation. The provisions in H.R. 6049 represent a much-anticipated update to the landmark 1996 Mental Health Parity Act authored by Domenici and the late Senator Paul Wellstone. The new legislation is expected to improve mental health care coverage for an estimated 113 million Americans.

"We are on the cusp of enacting legislation that is critically important to those with mental illness and their families. We have a finite amount of time to get this through Congress and we are anxious to see get it done. Thousands of hours have been put into coming up with a good bipartisan bill that will at long last place insurance coverage for mental health care on par with medical and surgical coverage," Domenici said.

"It is wrong to rob people of their potential and deny their hopes and dreams because their insurance will not pay for the mental health care they need. Today, after ten years of stalemate, the United States Senate passed our legislation to require insurance companies to cover mental illnesses and physical illnesses equally. This is a civil rights issue. With passage of this bill, fundamental justice arrives for millions of our fellow Americans who deal with mental illness. Today, the United States Senate says to them loud and clear, you will no longer have to suffer in the shadows," said Kennedy.

"We have worked for 10 long years to reach this moment. We remember the work of the late Senator Paul Wellstone. This would not be possible without his leadership or that of Senator Pete Domenici, Congressman Jim Ramstad and Congressman Patrick Kennedy, of whom I am enormously proud."

"Passing this mental health parity legislation offers new hope to millions of Americans with mental illness and their families. This bill unites the mental health advocacy, health care provider, employer, and insurance communities to bring fairness and relief to individuals and families who need help. The bill is years, if not decades, in the making, and reflects countless hours of sweat and negotiation. I want to thank Senator Domenici, Senator Kennedy, and Senator Dodd for their invaluable leadership to bring an end to the legislative paralysis on this important issue," Enzi said.

"For more than ten years, Senators Kennedy, Domenici, Enzi and I have been working to make fair treatment for those with mental illness not just a right but a reality. It has been a long and difficult road, but today, I am happy to say that we are taking a giant leap toward the finish line," said Dodd. "Today's victory for the millions of Americans who live with mental illness is a tribute to the late Senator Paul Wellstone, who fought day and night to achieve parity for mental health and substance abuse. I hope the House of Representatives will act quickly to approve this bill so we can send a strong mental health parity bill to the President's desk."

The \$150 billion tax extenders bill, which also includes such provisions as an alternative minimum tax fix and renewable energy tax credits, now requires approval from the House of Representatives before it can be forwarded to the White House. The Bush administration on Tuesday issued a statement in support for HR 6049, including the mental health parity provisions.

Domenici, Kennedy and Enzi authored the Mental Health Parity Act of 2007 (S.558), which was passed in the Senate by unanimous consent in September 2007. That bill had 57 cosponsors, including Dodd who has been instrumental in moving the parity legislation forward. The lawmakers reached a subsequent agreement with parity advocates in the House of Representatives and have since worked to find suitable offsets to pay for the legislation.

The new Mental Health Parity Act would require health insurance plans that offer mental health coverage to provide the same financial and treatment coverage offered for other physical illnesses. The legislation developed in talks with mental health, insurance

and business organizations to craft compromise legislation. It does not mandate that ~~group plans must provide any mental health coverage.~~

The 1996 parity law, authored by Domenici and Paul Wellstone, only provided parity for annual and lifetime limits between mental health coverage and medical surgical coverage.

The new parity legislation expands parity by including deductibles, co-payments, out-of-pocket expenses, coinsurance, covered hospital days, and covered out-patient visits. The measure also includes a small business exemption for companies with fewer than 50 employees, as well as a cost exemption for all businesses.

--30--

Log # 588
✓



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

May 8, 2009

David G. Cannon, Ph.D.
Cannon Psychological Associates P.C.
1376 Tiger Boulevard, Suite 210
Clemson, South Carolina 29631

Dear Dr. Cannon:

Thank you for your recent letter regarding our Psychiatric and Counseling Services policy for South Carolina Medicaid recipients.


The services addressed in the November 3, 2008, bulletin have to be ordered by Physicians, which include Psychiatrists, Mental Health Professionals, who are defined as Ph.D. Psychologists, Licensed Master Social Workers, Psychiatric Nurse Practitioners, Licensed Independent Social Workers, Licensed Marital and Family Therapists, or Licensed Professional Counselors, do not meet the enrollment requirements for the Physician Services program, and therefore are unable to bill independently and receive payments directly for services rendered. In an effort to ensure that our recipients receive the necessary care, our policy allows Physicians/Psychiatrists to contract and/or employ Mental Health Professionals. Once the Physician/Psychiatrist has outlined the recipient's plan of care, the Mental Health Professional may render treatment under the direct supervision of their Physician/Psychiatrist.

Additionally, private Ph.D. Psychologists who are licensed by the State Board of Examiners in psychology with a specialty in Clinical, Counseling, or School Psychology may be enrolled and bill independently of a Physician for services rendered in our Psychological Services program. This program, within our Behavioral Health Division, is separate from our Physician's Psychiatric and Counseling Services program.

As we continue to examine guidelines issued by the Centers for Medicare and Medicaid (CMS), we will routinely review and, if necessary, update our policy as it relates to both the Physician Services and Behavioral Health programs.

I appreciate your continued support of the South Carolina Medicaid program. If you have additional questions, please do not hesitate to contact Ms. Erica Dimes, Team Leader in Physician Services, at (803) 898-2660.

Sincerely,


Felicity Myers, Ph.D.
Deputy Director

FM/gws